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M/049/009

84th Annual Report

of

Chief Consolidated Mining Company

FOR THE YEAR ENDED
DECEMBER
THIRTY-FIRST
NINETEEN HUNDRED
AND NINETY TWO

Including 1992 Annual Report on Form 10-KSB
as filed with the Securities and Exchange Commission

Chief Consolidated Mining Company

General Mining Offices: Eureka, Utah 84628
Executive Offices: 866 Second Avenue, New York, N.Y. 10017

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COMMON STOCK*

1993 Market Price	High	Low
First Quarter	5 1/2	3 3/4
Second Quarter (through June 25th)	5 5/8	4 1/4

1992 Market Price	High	Low
First Quarter	1 7/8	1
Second Quarter	1 5/8	1
Third Quarter	1 3/8	1 5/16
Fourth Quarter	6 3/4	1 1/8

1991 Market Price	High	Low
First Quarter	3	2 1/8
Second Quarter	2 3/8	1 3/4
Third Quarter	2 1/4	7/8
Fourth Quarter	1 1/8	13/16

*Market Prices—Pacific Stock Exchange

Chief Consolidated Mining Company common stock is traded on NASDAQ (Ticker Symbol: CFCM) and the Pacific Stock Exchange (Ticker Symbol: CFC).

PREFERRED STOCK

Due to the relatively few shares outstanding (1992—5,653, 1991—7,401), a price for the preferred stock is no longer quoted on the O-T-C market. The Company maintains an open offer to preferred shareholders to exchange their preferred stock for common stock on a share for share basis.

PRESIDENT'S LETTER TO SHAREHOLDERS

To Chief's Shareholders:

In the Letter to Shareholders contained in last year's Annual Report, your Management stated that your Company's ultimate goal in its litigation against Sunshine Mining Company was to reacquire control of all of Chief's Utah mining properties and assets that were then under lease to Sunshine to insure the proper development of your Company's mineral wealth. The attainment of that goal in November, 1992 was reported by Chief in a Letter to Shareholders dated December 9, 1992.

For the first time in 37 years, Chief has regained full control of 14,500 acres owned in fee (23 square miles) in the Tintic Mining District. Your Company's acreage now also includes approximately 300 acres of property formerly owned by Sunshine that were transferred to Chief as part of its November, 1992 agreements with Sunshine.

The proposed revisions by Congress of the 1872 Mining Act could significantly benefit your Company since Chief owns its properties outright. The bills pending in both the U.S. Senate and the House are expected to be acted upon by the Congress this Fall. These bills are similar, with each providing for an 8% gross royalty on mineral production from U.S. Government land to be paid by the operator to the U.S. Government, as well as stricter environmental requirements pertaining to mining on U.S. Government owned land (unpatented claims). Neither Chief, nor any other operator on its properties, will be subject to these proposed revisions. The regaining of full control by Chief of its properties that contain substantial and readily accessible precious and base metal reserves, has thus come at an opportune time in the history of the domestic mining industry. Further, Chief also possesses additional precious metal target areas which have significant potential, based upon prior positive exploration and drilling results obtained by Kennecott and Sunshine. Your Company is free to proceed with its development of the precious metals and other minerals proven to exist, and to explore and develop potential precious metal deposits believed to exist, without the concerns over Mining Act revisions overhanging much of the domestic mining industry.

Your Company is currently moving forward with its plans for a gold drilling program in the Homansville Fault area north of the Burgin Mine. Chief has outright ownership of its extensive property holdings in the Homansville area through the approximately 3,000 acres it owns and an additional 300 acres owned by Central Standard Consolidated Mines. Chief owns 23% of the outstanding shares of Central Standard. The gold exploration project will therefore proceed without concern as to any future changes by Congress to the Mining Act.

The vast majority of gold mines developed in the United States over the past decade are primarily located in Nevada on unpatented U.S. Government owned land. The relative absence of new domestic gold projects is indicative of the concern in the industry that the chances of the Mining Act being revised are great. Also present is the possible threat of future closing of marginally profitable mines. This is the principle reason that domestic mining companies are seeking projects offshore, primarily in South America.

Consistent with the operational transition of your Company now taking place, we are pleased to announce the addition of A. Paul Mogensen to Chief's Board of Directors. Mr. Mogensen, an independent geologist, recently retired as General Manager, North American Exploration, for Gold Fields Mining Company. Prior to joining Gold Fields, Mr. Mogensen was the Division geologist for Kennecott Corporation during the years that Kennecott was operating the Burgin Mine and exploring Chief's other property holdings in the Tintic District.

Your management intends to move forward with the programs discussed below, either on its own, or in conjunction with an operating mining company or companies. Discussions are ongoing with several mining companies, however, no definite agreements regarding the Burgin Mine properties or exploring and developing adjacent areas, have been reached as of this date.

The three main programs that represent your Company's first priorities are as follows:

- Initiate and complete a surface drilling exploration program of the Homansville gold project, with a view towards reaching a stage where an underground program is justified.
- Complete the surface and then the underground drilling programs on the Burgin Mine project to increase the current proven and probable ore reserves.
- Extend the Burgin drilling program to test the potential of the Burgin gold area.

Following is a more detailed description of each of these programs:

Homansville Gold Project

Surface drilling by Chief on the Homansville gold exploration project is expected to begin within the next six to eight weeks. During the period that Kennecott explored the Homansville Fault area of your Company's properties, it expended over $1.4 million on surface drilling to delineate a projected zone of gold-containing veins. Several Kennecott drillholes intercepted significant gold mineralization, including the previously reported high grade intercept in drillhole ET-148. Drillhole ET-148 intersected 55 feet of gold mineralization between a depth of 1,132 and 1,187 feet which assayed at an average of just under one-third of an ounce of gold per ton. Twenty eight feet of this intercept, between a depth of 1,132 and 1,160 feet averaged one-half ounce of gold per ton. This drillhole, as well as several other of Kennecott's Homansville drillholes, also contained low grade silver values.

In 1988, Chief put down several drillholes in the Homansville fault area before Chief's drilling program was suspended later that year as a cost cutting measure because of the impending litigation against Sunshine. One drillhole which entered a fractured fault area, assayed at just over one-eighth of an ounce of gold per ton before it had to be terminated just above the projected gold target area. Chief's current program calls for a series of relatively shallow drillholes, cutting across several fault zones including the Homansville, in locations consistent with Kennecott's previous gold intercepts.

If Chief's Homansville drilling program is successful, your Company will then move to renovate the Copper Leaf Shaft, located on Central Standard's property, and subsequently initiate an underground exploration and development program on the properties of both Chief and Central Standard. The Copper Leaf Shaft was utilized by U.S. Smelting in 1930, at which time drifting and exploration work was performed at the 1200 foot level. Old maps indicate a small mineralized structure intersected by U.S. Smelting near the shaft which assayed at 0.42 ounces of gold per ton. U.S. Smelting subsequently terminated its work in the area during the early 1930's at the height of the Depression. The Mine has remained dormant since that time.

Burgin Mine Reserves

The prospect for significantly increasing the current Burgin reserves two or more fold is most promising. The proven and probable ore reserves now stand at just over one million tons of ore, containing an estimated 23.9 million ounces of silver, 550.2 million pounds of lead, and 180.4 million pounds of zinc. These current reserves have an in-place value at current metals prices of approximately $375 million before dilution for mining and processing. Sunshine spent $5.4 million to develop and qualify these reserves for reporting purposes in various U.S. Securities and Exchange Commission filings as "proven and probable" during the period it leased the property from Chief. These expenditures included the cost of renovating and updating Chief's Burgin Mine Apex #2 shaft. This shaft, which remains in excellent and operable condition, was acquired by your Company under the November, 1992 agreements.

Burgin Gold Area

During early underground drilling at the Burgin Mine by Kennecott, significant gold assays were obtained from drillholes which penetrated the hanging wall quartzites below the 1300 level. Follow-up drilling by Sunshine increased this potential both in the hanging wall quartzites and in the main ore zone. Sunshine estimated this zone to assay an

Check whether the issuer: (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes___X____No__________

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B is not contained in this form, and no disclosure will be contained, to the best of registrant's knowledge in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendments to this Form 10-KSB.___X___

State issuer's revenues for its most recent fiscal year. $311,147

State the aggregate market value of the voting stock held by non-affiliates computed by reference to the price at which the stock was sold, or the average bid and asked prices of such stock, as of a specified date within the past 60 days. (See definition of affiliate in Rule 12b-2 of the Exchange Act.) $14,042,088 as of March 11, 1993

Note: If determining whether a person is an affiliate will involve an unreasonable effort and expense, the issuer may calculate the aggregate market value of the common equity held by non-affiliates on the basis of reasonable assumptions, if the assumptions are stated.

ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS

Check whether the issuer has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Exchange Act after the distribution of securities under a plan confirmed by a court.

Yes _______ No _______

APPLICABLE ONLY TO CORPORATE REGISTRANTS

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date.

Class	Outstanding at March 11, 1993
Common Stock, $0.50 par value	3,510,523 shares

DOCUMENTS INCORPORATED BY REFERENCE

If the following documents are incorporated by reference; briefly describe them and identify the part of the Form 10-KSB (e.g., Part 1, Part II, etc.) into which the document is incorporated: (1) any annual report to security holders; (2) any proxy or information statement; and (3) any prospectus filed pursuant to Rule 424(b) or (c) of the Securities Act of 1933 ("Securities Act"). The listed documents should be clearly described for identification purposes (e.g., annual report to security holders for the fiscal year ended December 24, 1990).

U.S. SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-KSB

OMB Approval
OMB Number: xxxx-xxxx
Expires: Approval Pending

(Mark One)

☒ Annual report under Section 13 or 15(d) of the Securities Exchange Act of 1934 (Fee required)

For the fiscal year ended December 31, 1992

☐ Transition report under Section 13 or 15(d) of the Securities Exchange Act of 1934 (No Fee required)

For the transition period from ____________ to ____________

Commission file number 1-1761

Chief Consolidated Mining Company

(Name of Small Business Issuer in Its Charter)

Arizona	87-0122295
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)
866 Second Avenue, New York, New York	10017
(Address of Principal Executive Offices)	(Zip Code)

(212) 688-8130
(Issuer's Telephone Number, Including Area Code)

Securities registered under Section 12(b) of the Exchange Act:

Title of Each Class	Name of Each Exchange on which Registered
Common stock, $0.50 par value	NASDAQ Small-Cap Market
	Pacific Stock Exchange

None
(Title of Class)

EFFECT OF TERMINATION OF BURGIN LEASE AND UNIT LEASE

As stated above, the Burgin Lease and the Unit Lease were each terminated effective December 31, 1992. Registrant will therefore no longer receive the $100,000 annual advance royalty under the Burgin Lease or any earned royalties under the Unit Lease. Registrant had received advance royalties of $100,000 in each of the years 1991 and 1992 under the Burgin Lease and earned royalties of $108,102 and $92,854, during the years 1991 and 1992, respectively, under the Unit Lease. Without the receipt of such lease royalties in 1993, and given the fact that further sales of mining dumps material are not anticipated in 1993, Registrant entered the year 1993 without any material source of income. See "Additional Working Capital," below, and "Item 6. Management's Discussion and Analysis or Plan of Operation."

FUTURE PLANS FOR BURGIN MINE PROPERTY

Registrant is in the process of examining its alternatives for its Burgin Mine property that has been returned to Registrant's control as a result of the termination of the Burgin Lease on December 31, 1992. These alternatives include seeking a new lessee or entering into a joint venture arrangement with a mining company or, if no lease or joint venture is consummated, raising funds by the sale of Registrant's stock or other financing means, that would enable Registrant to develop the Burgin Mine. If such development work proved successful, Registrant would then move to bring the Burgin Mine into production if additional funding could be obtained. See "Item 2. Description of Property." for description of ore reserves and other information concerning the Burgin Mine property.

ADDITIONAL WORKING CAPITAL

In March, 1993, Registrant received subscriptions from individual investors to purchase 175,000 shares of its common stock at $3 per share in a private placement transaction exempt from registration under the Securities Act of 1933, for a total of $525,000, of which $375,000 had been received by March 29, 1993. The proceeds from the sale of Registrant's stock provides additional funds that will, together with Registrant's other liquid assets, enable Registrant to pay its overhead and operating costs for the entire year 1993 and continuing into the final quarter of 1994. Future private placement transactions are under consideration for the purpose of providing funds for drilling programs that would seek to increase the Burgin Mine's proven and probable ore reserves. See "Item 2. Description of Property." and "Item 6. Management's Discussion and Analysis or Plan of Operation - Funds To Be Used in 1993."

PART I

Item 1. Description of Business.

GENERAL

The Registrant, a Corporation formed under the laws of Arizona in 1909, is the owner of approximately 14,500 acres of patented mining ground in the Tintic Mining District, Juab and Utah Counties, Utah. The Registrant also owns unpatented mining claims covering approximately 2,000 acres in the vicinity of its patented properties. The Registrant holds stock interests in other companies owning mining properties, all of which are consolidated or unconsolidated subsidiaries of the Registrant.

The Registrant's mining office is located at Eureka, Juab County, Utah 84628. Its executive office is located at 866 Second Avenue, New York, N.Y. 10017. Registrant has a total of four employees, including one employee at the site of Registrant's properties in Utah.

TERMINATION OF MINING LEASES

During the three-year period January 1, 1990 through December 31, 1992, Registrant had leased mining rights under a fifty year lease covering 1,387 acres ("Burgin Lease") to Sunshine Mining Company ("Sunshine"). During that time period, Registrant was also co-lessor under a Unit Lease to Sunshine ("Unit Lease") covering a total of 7,311 acres, 5,050 acres of which are owned by Registrant. No ores were mined by Sunshine under the Burgin Lease. Sunshine did conduct mining activities on the property of a co-lessor at the Trixie Mine under the Unit Lease from January, 1990 through October, 1992. See "Item 6. Management's Discussion and Analysis or Plan of Operation - Results of Operations".

Both the Burgin Lease and the Unit Lease were terminated as of December 31, 1992. See "Item 3. Legal Proceedings." for a description of agreements providing for the discontinuance on November 13, 1992 of Registrant's lawsuits against Sunshine and the termination of the Burgin Lease and the Unit Lease effective December 31, 1992.

Registrant also had received royalties from the sale of waste dump materials from its unleased properties to North Lily Mining Company during the period May, 1991 through December, 1992. The dump materials sold were utilized by North Lily in its gold heap leaching operations, however, sale of waste dumps materials terminated in December, 1992.

Item 2. Description of Property.

See "Item 1. Description of Business." for acreage owned by Registrant in the Tintic Mining District, Utah. As is also set forth in said Item 1, control of 1,387 acres ("Burgin Mine property") that had formerly comprised the Burgin Lease was returned to Registrant when the Burgin Lease with Sunshine was terminated effective December 31, 1992. An additional 5,050 acres that was part of the Unit Lease was also returned to Registrant when the Unit Lease was terminated on December 31, 1992. Thus, Registrant now holds 8,450 acres in the East Tintic Mining District of Utah free of any leases, including an additional 2,013 acres that were included in the original Unit Lease, but were severed from the Unit Lease and returned to Registrant in October, 1982. The Burgin Mine property includes the Burgin Mine that was operated by Kennecott Corporation, as lessee ("Kennecott") from 1966 to 1978, a concentrating mill and various other buildings and support facilities that were built by Kennecott on Registrant's property.

Sunshine leased the mining rights to the Burgin Mine property from Registrant in 1980 and, while the Burgin Lease was in effect, performed both surface and underground exploration, drilling and development activities that resulted in the delineation of the current proven and probable ore reserves of the Burgin Mine.

In Sunshine's Securities & Exchange Commission filing on Form 10-K for its fiscal year ended December 31, 1991, Sunshine reported that at January 1, 1992, the proven and probable ore reserves of the Burgin Mine were estimated by Sunshine to be as follows:

	Tons of Ore	Ounces of Silver	Tons of Lead	Tons of Zinc
Proven and Probable Reserves (1)	1,032,173	23,903,536	275,090	90,189

The weighted average ore grades are 23.16 ounces per ton silver, 26.65% lead and 8.75% zinc.

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(1) Mining dilution is estimated at 22%, and metallurgical recoveries are estimated at, silver 83%, lead 81% and zinc 68%.

As a result of Registrant's agreements with Sunshine dated November 13, 1992 and the termination of the Burgin Lease thereunder effective December 31, 1992, all of the assets and improvements built by Kennecott and Sunshine on the Burgin Mine property, as well as the ore bodies described above, are now owned and controlled by Registrant. In addition, under the November 13, 1992 agreements, Registrant received certain real property, equipment and other personal property from Sunshine. See "Item 3. Legal Proceedings." for description of discontinuance of Registrant's lawsuits against Sunshine and the termination of the Burgin Lease and Unit Lease effective December 31, 1992.

Registrant's primary goal with respect to its Burgin Mine property is to seek out and enter into a lease or joint venture arrangement with a mining company with the view towards bringing the Burgin Mine back into production. In the alternative, Registrant would seek to raise funds for the development of the Burgin Mine and, if successful, the reopening of the Burgin Mine. See "Item 1. Description of Business - Future Plans for Burgin Mine Property."

In addition to the aforementioned 8,450 acres owned by Registrant in the East Tintic Mining District, Registrant owns approximately 6,000 acres in the Main Tintic District. Registrant is continuing its efforts to lease or joint venture underground mining rights to its Main Tintic District properties for exploration and development. It is also moving forward with its efforts to sell surface rights of its level acreage in the district for possible industrial development by a purchaser.

Under the terms of Registrant's leases with Sunshine that were in effect during 1992, Sunshine was obligated to comply with all Federal, state and local environmental laws and regulations affecting the mining industry. Under any future lease or joint venture arrangement entered into by Registrant, provision would be made for the new operator to become primarily liable for all environmental aspects of any operations on Registrant's properties.

As a result of the termination of the Burgin Lease and the Unit Lease, Registrant under a prior agreement with South Standard Mining Company ("South Standard"), its former co-lessor under the Unit Lease, is obligated to pay South Standard 22.67% of any future lease royalties earned from properties owned by Registrant that had comprised a part of the Unit Lease and Burgin Lease; or, if Registrant enters into a joint venture instead of a lease for such properties, the joint venture will pay South Standard 1.7% of the net smelter returns of the joint venture.

Likewise, South Standard is obligated to pay to Registrant 54.67% of any future lease royalties earned from properties owned by South Standard that had comprised a part of the Unit Lease; or if South Standard enters into a joint venture instead of a lease for such properties, that joint venture will pay Registrant 4.1% of the net smelter returns of the joint venture.

Registrant holds approximately 2,000 acres of unpatented mining claims on properties owned by the U.S. Government, no portion of which is located in the areas of the Burgin Mine or Registrant's old mines in the Main Tintic District. Therefore, there is no significant impact upon Registrant from the proposed revisions to the 1872 Mining Act by the U.S. Congress. Under the proposed 1993 legislation, significant revisions to the 1872 Mining Act that would impact holders of unpatented mining claims include a proposed 8% gross royalty payable to the U.S. Government on minerals produced. There is no royalty provision in effect at this time for production from unpatented U.S. Government owned property. Registrant's approximately 14,500 acres comprising its Burgin Property, Main Tintic District property and additional East Tintic District property are owned outright by Registrant and would not be affected by the proposed 1872 Mining Act revisions.

Item 3. Legal Proceedings.

By agreements dated November 13, 1992, Registrant's Federal court and state court lawsuits against Sunshine were discontinued, with prejudice. Under the terms of November 13, 1992 agreements between Registrant, South Standard and Sunshine, in addition to the discontinuance of the lawsuits, Registrant's Burgin Lease with Sunshine and Registrant's and South Standard's Unit Lease with Sunshine, were terminated effective December 31, 1992. See "Item 1. Description of Business." and "Item 2. Description of Property." for information concerning the leases and the acreage involved.

A brief description of Registrant's lawsuits against Sunshine, which were discontinued as a result of the November 13, 1992 agreements, follows:

Registrant initiated a lawsuit on June 7, 1989 against Sunshine Mining Company and Sunshine Precious Metals, Inc. (collectively "Sunshine") in the United States District Court, District of Utah, Central Division (No. 89-C-523-W), referred to herein as the "Federal court action". The lawsuit was brought by Registrant to right a number of wrongs that Registrant believes were committed by Sunshine in connection with the Burgin Lease and the Unit Lease. In its original complaint, Registrant claimed that Sunshine had in bad faith failed to honor obligations to mine properties under the Burgin Lease and the Unit Lease. The Federal court action against Sunshine also alleged breach of contract, breach of the duty of good faith and fair dealing, conversion, and also included claims under the Federal racketeering laws ("RICO").

On June 27, 1990, the major claims against Sunshine in the Federal court action (excluding the RICO claims) were moved from the Federal court to the District Court of the Fourth Judicial District in Utah County, State of Utah (No. 900400467CN), referred to herein as the "state court action".

Federal Court Action

Registrant's RICO claim asserted in the Federal court action against Sunshine was based upon the grounds that Sunshine wrongfully exploited Registrant's properties in the East Tintic District by selling or participating in the sale of Sunshine Mining Company securities on the strength of significant ore reserves within Registrant's Burgin Property, without Sunshine intending to mine such ores under the Burgin Lease.

On November 27, 1989, the U.S. District Court Judge presiding over the Federal court action ruled in favor of motions by defendants to dismiss the RICO claims brought against them by Registrant.

On July 27, 1990, Registrant filed an appeal in the United States Court of Appeals for the Tenth Federal Judicial Circuit relating to the U.S. District Court's ruling against Registrant on the RICO charges in the Federal court action. At the time the Federal court action was discontinued on November 13, 1992, no oral argument of Registrant's appeal in the United States Court of Appeals had yet taken place.

State Court Action

Registrant and South Standard, registrant's co-lessor under the Unit Lease, were plaintiffs in the state court action against Sunshine Mining Company, Sunshine Precious Metals, Inc. and HMC Mining, Inc. (collectively "Sunshine"). A a result of pre-trial proceedings, the judge presiding over the case issued a ruling on August 14, 1991 granting Sunshine's motion to dismiss Registrant's claims premised upon Sunshine's breach of its mining leases with Registrant and Sunshine's failure to proceed with the mining of the leased properties in Utah. Registrant initiated its appeal process with the Utah Supreme Court and, on February 3, 1992, Registrant filed its brief seeking to have the lower Court's decision that granted Sunshine's motion to dismiss certain claims overturned. At the time the state court action was discontinued on November 13, 1992, no oral argument of Registrant's appeal of the lower court's ruling had yet taken place.

Item 4. Submission of Matters to a Vote of Security Holders.

None

PART II

Item 5. Market for Common Equity and Related Shareholder Matters.

The principal markets on which Registrant's shares of common stock are traded are the NASDAQ Small-Cap Market under the symbol CFCM and the Pacific Stock Exchange under symbol CFC.

High and low sales prices of Registrant's common stock on the Pacific Stock Exchange for each quarterly period during the past two years are as follows:

1992 Market Price	High	Low
First Quarter	1-7/8	1
Second Quarter	1-5/8	1
Third Quarter	1-3/8	15/16
Fourth Quarter	6-3/4	1-1/8

1991 Market Price	High	Low
First Quarter	3	2-1/8
Second Quarter	2-3/8	1-3/4
Third Quarter	2-1/4	7/8
Fourth Quarter	1-1/8	13/16

Approximate number of holders of record of Registrant's common stock as of March 11, 1993 - 2,300.

No cash dividends were declared during the years 1991 and 1992.

Item 6. Management's Discussion and Analysis or Plan of Operation.

(b) Management's Discussion and Analysis of Financial Condition and Results of Operations.

FINANCIAL CONDITION
The ratio of Registrant's current assets to current liabilities as at December 31, 1992 was 10 to 1. Registrant anticipates that its current working capital as of December 31, 1992, combined with the proceeds from the subsequent sale in March, 1993 of additional common stock, in a private placement transaction, will provide sufficient liquid funds to enable Registrant to pay its operating expenses during 1993 and into the fourth quarter of 1994. See "Funds To Be Used In 1993", below.

RESULTS OF OPERATIONS

During the year ended December 31, 1992, Registrant's royalties were $299,976 as compared to royalties of $282,250 during the year ended December 31, 1991. Included in the royalties for each of the years ended December 31, 1992 and 1991, were advance royalties of $100,000 received by Registrant under the Burgin Lease with Sunshine. Also included in Registrant's royalties during the years ended December 31, 1992 and 1991 were earned royalties of $92,854 and $108,102, respectively, from Sunshine's operation of the Trixie Mine under the Unit Lease.

In addition, Registrant's royalty income during the years ended December 31, 1992 and 1991, included earned royalties of $107,121 and $67,439, respectively, from the sale of Registrant's waste dump material processed by North Lily Mining Company.

Registrant no longer receives royalties due to the termination of the Burgin Lease and Unit Lease and the cessation of the sale of waste dump material. See "Item 1. Description of Business - Effect of Termination of Burgin Lease and Unit Lease."

Registrant's net loss for 1992 was $167,255 as compared to a net loss of $248,772 for 1991. The decrease of $81,517 in the loss for 1992 was due primarily to a reduction of $69,104 in litigation expenses for the year 1992.

FUNDS TO BE USED IN 1993

As stated at "Item 1. Description of Business.", Registrant will not receive royalties under the Burgin Lease and Unit Lease in 1993 due to the termination of those leases effective December 31, 1992, and no royalties are anticipated in 1993 from the sale of Registrant's waste dump material. Therefore, until such time as Registrant enters into a new transaction involving its properties, Registrant will be dependent in 1993 upon funds on hand at December 31, 1992 and funds received from the sale of its common stock in a private placement transaction during March 1993 for the payment of its operating and overhead expenses. Registrant had net liquid assets available of $259,040 as of December 31, 1992, after giving effect to current liabilities. In March 1993, Registrant received subscriptions to purchase 175,000 shares of its common stock for $525,000, of which $375,000 had been received by March 29, 1993 in a private placement transaction. See "Item 1. Description of Business - Additional Working Capital - Future Plans For Burgin Mine Property." Registrant estimates that its operating costs and overhead during the year 1993 will be approximately $420,000.

<u>Item 7.</u> <u>Financial Statements.</u>

Consolidated Balance Sheet at December 31, 1992.

Statements of Consolidated Operations for the Years Ended December 31, 1992 and 1991

Statements of Consolidated Cash Flows for the Years Ended December 31, 1992 and 1991

Statements of changes in Shareholders' Equity for the Years Ended December 31, 1992 and 1991.

Notes to Consolidated Financial Statements.

Schedules:

I - Marketable Securities - Other Security Investments, December 31, 1992.

V - Property, Plant and Equipment for the Years Ended December 31, 1992 and 1991.

VI- Accumulated Depreciation and Depletion of Property, Plant and Equipment for the Years Ended December 31, 1992 and 1991.

Schedules not listed are omitted because of the absence of conditions under which they are required or because the information required is shown in the financial statements or in the note thereto.

Item 8. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

PART III

Item 9. Directors, Executive Officers, Promoters and Control Persons; Compliance with Section 16(a) of the Exchange Act.

The name and age of each of the Registrant's directors and executive officers and the positions and offices with the Registrant held by him are:

Names of Registrant's Directors and Executive Officers	Age	Offices with Registrant	Term During Which Served in Office
Leonard Weitz (1)	63	Director and Chairman of the Board; President	Director since 1967.
Edward R. Schwartz (1)	82	Director; Secretary-Treasurer	Director since 1974.
James Callery (1)	55	Director	Director since 1980.
Michael F. K. Carter (1)	52	Director	Director since 1988.

(1) Elected to serve as a director for the ensuring year and until his successor is duly elected and qualified at the Annual Meeting of Shareholders held on November 14, 1990. No shareholders meetings were held during the years 1991 or 1992.

The following is a brief account of the business experience during the past five years of each director and executive officer named above:

Leonard Weitz	Chairman and President of the Company (Since 1971).
Edward R. Schwartz	Secretary and Treasurer of the Company (Since October 1979); Independent Consultant since prior to 1988.
James Callery	Engaged in management of oil and gas, forestry, agriculture and other investments since prior to 1988; Member of Board of Directors of Lomas & Nettleton Mortgage Investors (a real estate investment trust) since prior to 1988.
Michael F. K. Carter	Managing Director, First Hungarian Investment Advisory Rt. since January, 1993; Independent consultant from February, 1990 to December, 1992; Managing Director - North America, of First Toronto Mining Corporation (a merchant banking corporation) from January, 1988 to January, 1990.

Registrant is not aware of any person who, at any time during the year 1992 was a director, officer or beneficial owner of more than 10 percent of Registrant's common stock who failed to file on a timely basis, reports required by Section 16(a) during 1992 or prior years.

Item 10. Executive Compensation.

The following information was presented concerning the compensation of the President of Registrant for each of the Registrant's last three completed fiscal years.

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Annual Compensation Salary (1)	Long-Term Compensation Awards - Options	All Other Compensation
Leonard Weitz	1992	$125,000	-	-
(President and	1991	$125,000	-	$42,500 (2)
Chairman of the Board)	1990	$120,000	40,000 shs. (3)	-

(1) Mr. Weitz is employed as President of Registrant through September 30, 1996 under an employment agreement dated January 4, 1988. Mr. Weitz will receive an annual salary of $125,000 during the remainder of his employment agreement. (See note (2), below.) In addition to his annual salary, Mr. Weitz will be entitled under his employment agreement to incentive compensation equal to 2% of Registrant's pre-tax earnings in excess of $1,000,000 (exclusive of extraordinary items and sales of property) during each

of the calendar years 1993 to 1996 (pro-rated for 1996); however, incentive compensation may not exceed the amount of his base salary for the subject year. Mr. Weitz may also receive during the term of his employment such bonuses as may be determined by the Registrant's Board of Directors.

(2) On June 24, 1991, Mr. Weitz entered into an agreement with Registrant whereunder Mr. Weitz agreed to waive $5,000 annual salary increases to which he would otherwise be entitled under his employment agreement with Registrant, in exchange for which Registrant canceled a $42,500 note payable by Mr. Weitz to Registrant that would otherwise have been due on September 21, 1991. Mr. Weitz's annual salary under his employment agreement that expires September 30, 1996 will be $125,000 per annum, after giving effect to Mr. Weitz having waived the $5,000 annual salary increase, as aforesaid. On a cumulative basis, Mr. Weitz will have waived a total of $75,000 in salary over the years 1991 to 1996 when his employment agreement expires on September 30, 1996.

(3) On November 14, 1990, Registrant's Board of Directors granted to Mr. Weitz an Incentive Stock Option to purchase 40,000 shares of Registrant's common stock under Registrant's Incentive Stock Option Plan, which plan had previously been approved by the shareholders. The Option expires five years from the date of grant and is exercisable at a price of $2.50 per share, which was the market price for Registrant's common stock on the date of grant. The 40,000 share grant was a replacement option for three incentive stock options granted between May, 1986 and November, 1989 that totaled 40,000 shares and which three options had an average exercise price of $5.50 per share. No stock options were granted to Mr. Weitz during the year 1992.

The following table provides information as to the value of options held by Leonard Weitz, President and Chairman of the Board of Registrant, at December 31, 1992, measured in terms of the closing price of Registrant's common stock on the Pacific Stock Exchange on December 31, 1992. Mr. Weitz did not exercise any options in 1992.

Name	Number of Shares Subject to Unexercised Options at December 31, 1992	Value of Unexercised In-The-Money Options at Year End (1)
Leonard Weitz	40,000 (2)	$110,000
	10,000 (3)	1,250
	20,000 (3)	-0- (4)

(1) Valued at $5.25 per share.
(2) Incentive Stock Option under Registrant's Incentive Stock Option Plan.
(3) Nonqualified stock option.
(4) Exercise price exceeds market value of common stock on December 31, 1992.

Compensation of Directors

Each director who is not an officer of Registrant receives an annual retainer of $1,200 and an attendance fee of $100 for each board meeting attended. The Secretary-Treasurer of Registrant, who is a director, does not receive a salary; he receives fees at twice the rate as directors who are not officers of Registrant.

No stock options were granted to directors of Registrant during the year 1992 and no director exercised in 1992 any stock options held by him. Since no shareholders meetings have been held since November 14, 1990, no formal action has been taken in connection with replacement options for previously approved nonqualified stock options granted to Mr. Weitz and other directors. Registrant has never issued any stock appreciation rights to its officers and directors.

Employment Contract

Mr. Leonard Weitz, President and Chairman of Registrant, is employed through September 30, 1996 under an employment agreement dated January 4, 1988. See Notes 1 and 2 to "Item 10. Executive Compensation - Summary Compensation Table" for further details concerning Mr. Weitz's employment agreement.

Item 11. Security Ownership of Certain Beneficial Owners and Management.

(a) The following table shows as of March 20, 1993, stock ownership of all persons known to management to be beneficial owners of more than 5% of the common stock of the Registrant:

Name and Address of Beneficial Owners	Amount and Nature of Beneficial Ownership	Percentage of Class
William E. Simon c/o William E. Simon & Sons Inc. 310 South Street, CN 1913 Morristown, N.J. 07960	338,600 shares (1)	9.1%

(1) Includes 219,300 shares that William E. Simon has the right to acquire under options issued by the Registrant.

(b) The equity securities of the Registrant beneficially owned by all directors and by directors and officers of the Registrant as a group, as of March 20, 1993, are:

Title of Class	Name & Address of Beneficial Owner	Amount and Nature of Beneficial Ownership*	Percent of Class
Common Stock, $0.50 par value:	James Callery RD #2, Box 2750 Charlotte, Vermont 05445	98,468 (1)(5)	2.8%
	Michael F. K. Carter Budapest XII Csabu u. 30 1122 Hungary	30,000(2)	0.8
	Edward R. Schwartz 1165 Park Avenue New York, NewYork 10128	55,100 (3)(6)	1.5
	Leonard Weitz 11 Longview Lane Chappaqua, New York 10514	95,010 (4)(7)	2.7
	Owned by all directors and officers as a group	278,578 (8)	7.5
Preferred Stock, $0.50 par value:	None		

* Each director has sole voting and investment power with respect to shares owned.

(1) Does not include an aggregate of 10,500 shares owned by James Callery's wife and children, in which shares James Callery disclaims any beneficial interest.

(2) Includes 5,000 shares owned by a corporation in which Michael F. K. Carter has a 50% interest and nonqualified stock options to purchase 25,000 shares held by Michael F. K. Carter.

(3) Does not include 1,700 shares owned by a trust in which Edward R. Schwartz is an income beneficiary with possible right of invasion of trust principal. Also does not include 200 shares owned by Edward R. Schwartz's wife, in which shares Edward R. Schwartz disclaims any beneficial interest.

(4) Does not include 21,500 shares owned by Leonard Weitz's wife, in which shares Leonard Weitz disclaims any beneficial interest.

(5) Includes nonqualified stock options to purchase 50,000 shares held by James Callery.

(6) Includes incentive stock options to purchase 20,000 shares issued under Registrant's Incentive Stock Option Plan and nonqualified stock options to purchase 30,000 shares held by Edward R. Schwartz.

(7) Includes incentive stock options to purchase 40,000 shares issued under Registrant's Incentive Stock Option plan and nonqualified stock options to purchase 30,000 shares held by Leonard Weitz.

(8) Includes options to purchase an aggregate of 195,000 shares as referred to at Notes (2), (5), (6) and (7) above. Each of said options is exercisable by the optionee in whole or in part at any time until the expiration date of the option.

Item 12. Certain Relationships and Related Transactions.

None.

Item 13. Exhibits and Reports on Form 8-K.

(a) Description of Exhibits required to be filed by Item 601 of Regulation S-B

(The numbers shown below next to each exhibit are keyed to Exhibit Table of Item 601 of Regulation S-B)

(3) Articles of Incorporation and By-Laws:

Registrant hereby incorporates by reference the Articles of Incorporation and By-Laws previously filed with the Commission.

"(4)" Not applicable.

"(8)" Not applicable.

"(9)" Not applicable.

"(10)" Material Contracts:

A. Sunshine Lease - Mining Lease and Agreement dated October 15, 1980 between Registrant and Sunshine Mining Company: Registrant hereby incorporates by reference the Sunshine Lease Agreement dated October 15, 1980, copies of which were filed with the Commission by Registrant as part of its Form 8-K Report dated October 22, 1980. The Sunshine Lease was terminated effective December 31, 1992 (See document "L" below.)

B. Unit Lease - Leases and Unit Agreement of August 29, 1956 by and between Registrant and other co-lessors, as lessors, and Bear Creek Mining Company, as Lessee.
Amendments to Unit Lease:
July 5, 1968
January 1, 1972

March 14, 1977
June 16, 1978
October 26, 1982
Registrant hereby incorporates by reference the Unit Lease and each of the Amendments set forth above, copies of which were filed with the Commission by Registrant as part of its 10-K Reports as follows: Amendments 1968 through 1978 - 1980 10-K Report; October 26, 1982 Amendment - 1982 10-K Report. The Unit Lease was terminated effective December 31, 1992 (See document "K", below).

C. Agreement dated October 1, 1982 between registrant and its co-lessors under the Unit Lease. Registrant hereby incorporates by reference the said Agreement, a copy of which was filed with the Commission by Registrant as part of its 1982 10-K Report.

D. Agreement (signed by Registrant March 25, 1983) between Registrant, its co-lessors under the Unit Lease, and Kennecott. Registrant hereby incorporates by reference the said agreement, a copy of which was filed with the Commission by Registrant as part of its 1983 10-K Report.

E. Agreement (signed by Registrant on August 15, 1989) between Registrant and South Standard, its co-lessor under the Unit Lease, a copy of which was filed with the commission as part of its 1989 10-K Report.

F. Exploration License dated June 21, 1990 between Registrant and Sunshine, a copy of which was filed with the Commission by Registrant as part of its 1990 10-K Report.

G. Amendment to agreement (signed by Registrant on July 7, 1990) between Registrant and South Standard, its co-lessor under the Unit Lease, a copy of which was filed with the Commission as part of its 1989 10-K Report.

H. Agreement (signed by Registrant on February 5, 1991) between Registrant and North Lily Mining Company, a copy of which was filed with the Commission by Registrant as part of its 1990 10-K report.

I. Registrant's Amended Complaint against Sunshine and Drexel Burnham filed in the United States District Court, District of Utah, Central Division (NO. 89-C-523-W) and press release issued by Registrant on June 7, 1989 relating to the Complaint. Registrant hereby incorporates by reference the said Amended Complaint and the press release, copies of which were filed with the Commission by Registrant as part of its for 8-K Report dated June 20, 1989.

J. Registrant's Complaint against Sunshine filed in the District Court of the Fourth Judicial District in Utah County, State of Utah (No. 900400467CN), a copy of which was filed by Registrant as part of its 1991 10-K Report.

K. Agreement dated as of November 13, 1992 between HMC Mining Inc., Sunshine Precious Metals, Inc., and Sunshine Mining Company (collectively

"Sunshine Group"), and Chief Consolidated Mining Company and South Standard Mining Company (with Exhibits annexed, except for those Exhibits previously filed by Registrant with the Securities and Exchange Commission) a copy of which was filed with the Commission by Registrant as part of its September 30, 1992 10-Q Report.

L. Agreement dated as of November 13, 1992 between HMC Mining Inc., Sunshine Precious Metals, Inc., and Sunshine Mining Company (collectively "Sunshine Group"), and Chief Consolidated Mining Company (with Exhibits annexed, except for those Exhibits previously filed by Registrant with the Securities and Exchange Commission) a copy of which was filed with the Commission by Registrant as part of its September 30, 1992 10-Q Report.

"(11)" Not applicable.
"(13)" Not yet furnished to security holders as of filing date of this Report.
"(16)" Not applicable.
"(18)" Not applicable.
"(19)" Not applicable.
"(21)" Not applicable.
"(22)" Not applicable.
"(23)" Not applicable.
"(24)" Not applicable.
"(25)" Not applicable.
"(28)" Not applicable.
"(29)" Not applicable.

(b) Reports filed on Form 8-K:
None

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the Registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Chief Consolidated Mining Company
(Registrant)

By /s/ Leonard Weitz
(Signature and Title)
Leonard Weitz
Chairman of the Board of Directors,
President and Principal Executive Office

Date March 29, 1993

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

By /s/ Edward R. Schwartz
(Signature and Title)
Edward R. Schwartz
Director, Treasurer,
Principal Financial Officer and
Principal Accounting Officer

Date March 29, 1993

By /s/ James Callery
(Signature and Title)
James Callery
Director

Date March 29, 1993

Deloitte &
Touche

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INDEPENDENT AUDITORS' REPORT

To the Stockholders of Chief Consolidated Mining Company:

We have audited the accompanying consolidated balance sheet of Chief Consolidated Mining Company and its subsidiaries as of December 31, 1992 and the related consolidated statements of operations, shareholder's equity, and cash flows for each of the two years in the period ended December 31, 1992 . These financial statements and the financial statement schedules discussed below are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of the Companies at December 31, 1992 and the results of their operations and their cash flows for each of the two years in the period ended December 31, 1992, in conformity with generally accepted accounting principles.

Our audits also comprehended the financial statement schedules listed in item 7 herein. In our opinion, such financial statement schedules, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly in all material respects the information shown therein.

Deloitte & Touche

March 26, 1993

CHIEF CONSOLIDATED MINING COMPANY AND CONSOLIDATED SUBSIDIARIES

Balance Sheet
December 31, 1992

ASSETS

Current Assets:		
Cash	$ 28,245	
US Treasury Bills at cost which approximates market value (Schedule I)	209,057	
Accounts Receivable	50,119	
Total Current Assets		287,421
Investments in Affiliates:		
Common Stock - at equity (Note 1)	68,545	
Advances	16,150	
Total Investments		84,695
Fixed Assets- At cost (Note 1 and Schedules V and VI):		
Plant and equipment	474	
Mining claims and property (less accumulated depletion of $1,927,799	2,235,479	
Fixed Assets - Net		2,235,953
Other Assets		3,222
Total		$2,611,291

LIABILITIES AND SHAREHOLDERS' EQUITY

Current Liabilities - Accounts Payable and accrued expenses		$ 28,381
Minority Interest		42,288
Shareholders' Equity- (Notes 2 and 3):		
Preferred stock - non assessable (authorized, 1,500,000 shares of $.50 par value each, 5,655 shares issued; held in Treasury 2 shares; outstanding 5,653 shares)	2,827	
Common Stock - Non assessable (authorized, 5,000,000 shares of $.50 par value each, 3,526,964 shares issued; held in Treasury 16,441 shares; outstanding 3,510,523 shares)	1,755,261	
Capital Surplus	4,157,869	
Deficit	(3,375,335)	
Total Shareholders' Equity		2,540,622
Total		$ 2,611,291

See notes to Consolidated Financial Statement.

CHIEF CONSOLIDATED MINING COMPANY

AND CONSOLIDATED SUBSIDIARIES

Statements of Consolidated Operations

for the Years Ended December 31, 1992 and 1991

	1992	1991
Revenue:		
Royalties	$299,976	$282,250
Interest	11,171	30,747
Total	311,147	312,997
Expenses:		
General and Administrative	374,149	396,359
Litigation (Note 8)	55,049	124,153
Royalties	22,667	22,667
Depreciation	-	23
Taxes other than income taxes	26,537	18,567
Total	478,402	561,769
Net Loss	$167,255	$248,772
Net Loss Per Share (Note 6)	$.05	$.07

See notes to Consolidated Financial Statement.

CHIEF CONSOLIDATED MINING COMPANY

AND CONSOLIDATED SUBSIDIARIES

Statements of Consolidated Cash Flows

for the Years Ended December 31, 1992 and 1991

	1992	1991
Cash Flows From Operating Activities:		
Net Loss	$(167,255)	$(248,772)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation		23
Change in assets and liabilities:		
Decrease (increase) in accounts receivable	(7,046)	13,064
Decrease (increase) in other assets		11,259
Decrease in note receivable		42,500
Increase (decrease) in accounts payable and accrued expenses	5,121	(207,470)
Net cash used in operating activities	(169,180)	(389,396)
Cash Flows From Investing Activities:		
Decrease in US Treasury Bills	139,432	381,596
Increase in advances to affiliates		(3,209)
Increase in minority interest	(2,182)	-
Decrease in Mortgages receivable		327
Net cash provided by investing activities	137,250	378,714
Cash Flows From Financing Activities:		
Decrease in notes payable		(5,052)
Issuance of Common Stock	50,000	
Net cash provided by (used in) financing activities	50,000	(5,052)
Net Increase (Decrease) in Cash	**18,070**	**(15,734)**
Cash at Beginning of Year	**10,175**	**25,909**
Cash at End of Year	**$28,245**	**$ 10,175**

See notes to Consolidated Financial Statement.

CHIEF CONSOLIDATED MINING COMPANY

AND CONSOLIDATED SUBSIDIARIES

Statements of Shareholders' Equity

for the Years Ended December 31, 1992 and 1991

	Preferred Stock		Common Stock			
	Number of Shares	Amount	Number of Shares	Amount	Capital Surplus	Deficit
Balance January 1, 1991, as adjusted (Note 8)	**7,722**	**$3,861**	**3,458,454**	**$1,729,227**	**$4,132,869**	**($2,959,308)**
Issuance of Common Stock for Preferred Stock	(321)	(160)	321	160		
Net Loss						(248,772)
Balance December 31, 1991	**7,401**	**3,701**	**3,458,775**	**1,729,387**	**4,132,869**	**(3,208,080)**
Issuance of Common Stock for Preferred Stock	(1,748)	(874)	1,748	874		
Issuance of Common Stock			50,000	25,000	25,000	
Net Loss						(167,255)
Balance December 31, 1992	**5,653**	**$2,827**	**3,510,523**	**$1,755,261**	**$4,157,869**	**($3,375,335)**

CHIEF CONSOLIDATED MINING COMPANY

AND CONSOLIDATED SUBSIDIARIES

Notes to Consolidated Financial Statements

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1. Summary of Significant Accounting Policies

Principles of Consolidation

Chief Consolidated Mining Company (the "Company") is a corporation formed under the laws of Arizona. The accompanying consolidated financial statements include the accounts of the Company and all majority owned subsidiaries. Investments in which the Company's interest is 50% or less and where it is deemed that the Company's ownership gives it significant influence, are accounted for by the equity method.

Business Plan

As a result of the termination of its leases effective December 31, 1992 (see "Fixed Assets"), the Company presently has no source of operating income.

The Company is examining its alternatives for its Burgin Mine property. Among these alternatives include seeking a new lessee or entering into a joint venture arrangement with a mining company or, if no lease or joint venture is consummated, raising funds by the sale of Registrant's stock or other financing means, that would enable Registrant to develop the Burgin Mine. If such development work proved successful, Registrant would then move to bring the Burgin Mine into production if additional funding could be obtained. In March, 1993, the Company received commitments from individual investors to purchase 175,000 shares of its common stock for $525,000, of which $375,000 had been received by March 29, 1993 in a private placement transaction. These proceeds from the sale of stock will, together with the Company's other liquid assets, enable the Company to pay its overhead and operating costs for the entire 1993 year and continuing into the final quarter of 1994. The Company's primary goal is to seek out and enter into a lease or joint venture arrangement with a mining company or operator with the view towards bringing the Burgin Mine back into production.

Statement of Cash Flows

Cash and cash equivalents represent liquid investments with original maturities of less than 90 days.

During 1992 and 1991, the Company paid interest of $0 and $1,214, respectively. During 1992 and 1991, the Company paid no income taxes.

Income Taxes

The Company files a consolidated federal income tax return. Deferred income taxes are accounted for in accordance with Financial Accounting Standards Board Statement ("FASB") No. 109, "Accounting for Income Taxes".

Postretirement and Postemployment Benefits

In December 1990, the FASB issued Statement No. 106, "Employers' Accounting for Postretirement Benefits Other than Pensions," effective for fiscal years beginning after December 15, 1992. Adoption of this statement has not affected the Company's financial position or results of operations as the Company provides no postretirement benefits.

During November 1992, the FASB issued Statement No. 112, "Employers' Accounting for Postemployment Benefits," effective for fiscal years beginning after December 15, 1993. Adoption of this statement is not expected to have any effect on the Company's financial position or results of operations.

Fixed Assets

The Company is the owner of approximately 14,500 acres of patented mining ground in the Tintic Mining District, Juab and Utah Counties, Utah and unpatented mining claims covering approximately 2,000 acres in the vicinity of its patented properties. The Company had leased mining rights to 1,387 acres of its patented mining ground to Sunshine Mining Company ("Sunshine"), which included the Burgin Mine property. Such lease was terminated on December 31, 1992.

Depletion and Depreciation

No mineral depletion provisions have been made subsequent to July 15, 1978 as a result of the termination of mining from the Burgin Mine and the removal of the Burgin Mine from its lease.

Provision for depreciation of machinery, equipment and buildings has been computed at various straight line rates, ranging from 3 to 20 years, based on the estimated useful lives of the assets.

2. Capital Structure

The Board of Directors of the Company has authorized the issuance, at the stockholders' option, of common stock in exchange for preferred stock on a share for share basis. The preferred shares obtained in the exchange have been retired.

The shares of preferred stock and common stock of the Company are equal in the right to receive dividends, to vote, and in all other respects except that upon liquidation the preferred shares are entitled to a preferential payment of $.50 per share.

3. Stock Option Plans

In June, 1982, the shareholders approved an Incentive Stock Option Plan (the "Plan") for key employees which would provide for the Board of Directors to grant options to purchase up to 100,000 shares of the Company's common stock, with a maximum grant to purchase 40,000 shares for each key employee. The Plan expired in June 1992. The incentive stock options may be exercised within five years from the date of grant. The option price for the shares under option shall be not less than 100 percent of the market price of the stock at the date of grant.

In June, 1983, the shareholders also approved the issuance of nonqualified stock options to key employees and directors. The nonqualified options may be exercised within ten years from the date of grant, but only so long as the optionee continues to be a director or officer of the Company.

At December 31, 1991 and 1992, the following options were outstanding:

	Options	Exercise Price
Incentive Stock Options	60,000	$ 2.50
Nonqualified Stock Options	30,000	5.125
	80,000	5.625
	25,000	4.375

4. Income Taxes

Net operating loss carryforwards are available for Federal income tax purposes for fifteen years from the year of loss, in the following approximate amounts:

Year of Loss	Amount
1977	$133,000
1978	76,200
1979	19,900
1980	80,100
1983	161,500
1984	246,800
1985	192,800
1986	274,300
1987	189,300
1988	138,600
1989	267,200
1990	409,172
1991	248,772
1992	167,255
Total	$2,604,899

5. Net Loss Per Share

Net loss per share amounts are based on the weighted average number of shares of preferred and common stock outstanding during each year. No effect has been given to shares under option in the computation of net loss per share because they would be antidilutive to the computation.

6. Lease Commitment

Rent expense for office space amounted to approximately $23,298 and $29,461 for 1992 and 1991, respectively.

The minimum rental commitments under noncancellable leases consists of:

1993	$18,483
1994	18,483
1995	6,160

7. Litigation

The Company was a plaintiff in lawsuits described in "Item 3. - Legal Proceedings." of the Securities and Exchange Commission Filing on Form 10-KSB for the year ended December 31, 1992.

By agreement between the parties to the lawsuits, the lawsuits were discontinued, with prejudice, on November 13, 1992.

8. Other

Beginning in 1992, the Company began consolidating its majority owned, inactive subsidiaries and recording its proportionate share of losses for its 21 percent owned inactive subsidiary. Accordingly, the January 1, 1991 deficit balance has been adjusted for the cumulative effect of this change, which amount was not material.

Schedule I

CHIEF CONSOLIDATED MINING COMPANY

AND CONSOLIDATED SUBSIDIARIES

Marketable Securities - Other Security Investments

December 31, 1992

Name and Issuer and the Title of Each Issue:	United States Government - Treasury Bills
Principal amount of bills and number of common shares:	$210,000
Cost of each issue:	$209,057
Market Value of each issue at balance sheet date:	$209,383
Amount at which each portfolio of equity security issues and each other security issue carried in the balance sheet:	$209,057

Schedule V

CHIEF CONSOLIDATED MINING COMPANY

AND CONSOLIDATED SUBSIDIARIES

Property, Plant and Equipment

For the Years Ended December 31, 1992 and 1991

	Balance at Beginning of Year	Additions	Retirements or Sales	Balance at End of Year
1991				
Machinery and Equipment	$ 34,300	-	$ 17,762	$ 16,538
Building	38,618	-	-	38,618
Total:	*$ 72,918*	-	*$ 17,762*	*$ 55,156*
Mining claims and property (1)	$ 4,163,278	-	$ -	$4,163,278
1992				
Machinery and Equipment	$ 16,538	-	$ 16,064	$ 474
Building	38,618	-	38,618	-
Total:	$ 55,156	-	$ 54,682	$ 474
Mining claims and property (1)	$ 4,163,278	-	-	$4,163,278

(1) Included in mining claims and property are capitalized development costs in the amount of $326,090.

Schedule VI

CHIEF CONSOLIDATED MINING COMPANY

AND CONSOLIDATED SUBSIDIARIES

Accumulated Depreciation and Depletion of

Property, Plant and Equipment

For the Years Ended December 31, 1992 and 1991

	Balance at Beginning of Year	Additions	Retirements or Sales	Balance at End of Year
1991				
Accumulated depreciation:				
Machinery and Equipment	$ 31,302	$ 23	$ 17,762	$ 13,563
Building	41,119	- -	- -	41,119
Total:	*$ 72,421*	*$ 23*	*$ 17,762*	*$ 54,682*
Accumulated depletion - mining claims and property	$ 1,927,799	- -	- -	$ 1,927,799
1992				
Accumulated depreciation:				
Machinery and Equipment	$ 13,563	- -	$ 13,563	- -
Building	41,119	- -	41,119	- -
Total:	$ 54,682	- -	$ 54,682	- -
Accumulated depletion - mining claims and property	$ 1,927,799	- -	- -	$ 1,927,799

estimated grade of one-quarter ounce of gold per ton and 10 ounces of silver per ton. Exploration and development of this area would be most practicably, but not necessarily, performed in conjunction with the program to increase Burgin Mine reserves. This alternative will be examined by your Management as Chief's exploration and development operations progress.

Main Tintic District:

In addition to its plans for the East Tintic District, your Management is also continuing its efforts to attract a major mining company to explore and develop the approximately five thousand acres owned by your Company in the Main Tintic District. Given the recent increases in gold and silver prices, Chief's Plutus Mine area has again become an attractive target. Asarco, Inc. planned to exploit the gold potential of the Plutus as its primary exploration project when it leased the Main Tintic properties from Chief in the early 1980's. However, after refurbishing the Chief #2 Shaft at substantial cost to access the area, Asarco relinquished the property back to Chief before it ever performed its planned underground drilling program in the Plutus area. Asarco reported to your Company that its decision not to proceed was due to the sharp decline in metals prices at that time.

* * * * * * * *

In summary, we are pleased to report to the shareholders that during 1993, Chief Consolidated Mining Company has evolved into a very different company than it has been in the past. Your Management looks forward to the continued restructuring of Chief to achieve a new goal of becoming a producer of precious metals either on its own or in joint venture with other mining companies, or a combination of both.

Thank you, Chief's shareholders, for your continuing support. We shall endeavor to keep you apprised of any important developments.

Leonard Weitz
Chairman and President
June 30, 1993

Chief Consolidated Mining Company
1992 Form 10-KSB Report

This report to shareholders includes a complete copy of Chief Consolidated Mining Company's 1992 Form 10-KSB Annual Report to the Securities and Exchange Commission which contains among other information, a description of the Corporation's business, a discussion and analysis of financial condition and results of operations and financial statements. The Form 10-KSB report is included because of the similarity of the information required to be contained in the annual reports to shareholders and to the Securities and Exchange Commission, and in the interest of providing broad disclosure of the activities of Chief to those interested in its affairs. The report on Form 10-KSB has been neither approved nor disapproved by the Securities and Exchange Commission nor has the SEC passed upon its accuracy or adequacy.

Index to Form 10-KSB

Board of Directors

James Callery
Investments (Principally Oil, Gas and Farming)

Michael F.K. Carter
Financial Consultant

A. Paul Mogensen
Consulting Geologist

Edward R. Schwartz
Treasurer and Secretary of Chief; Sales Consultant

Leonard Weitz
Chairman of the Board and President of Chief

Executive Officers

Leonard Weitz
Chairman of the Board and President

Edward R. Schwartz
Treasurer and Secretary

Manager Mining Properties

Adren Underwood

TRANSFER AGENT & REGISTRAR

FIRST INTERSTATE BANK OF CALIFORNIA
26610 West Agoura Road
Calabasas, California 91302

AUDITORS

Deloitte & Touche
One World Trade Center
New York, N.Y. 10048

ANNUAL MEETING OF SHAREHOLDERS

The 1993 meeting of shareholders will be held later this year. Shareholders will receive notice and proxy material prior to the meeting.